

Ford: Works councils in Germany and Spain outdo each other with savings proposals

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In the past, when a major international corporation like Ford was planning cutbacks and layoffs, the experts from McKinsey would go through the factory halls to identify which positions to cut. The workers clenched their fists in their pockets and made plans to fight for their jobs.

Today, Ford can dispense with such expensive management consultants. The layoff and cutback plans are drawn up by the trade unions and their works council representatives, who have turned into paid shells and stooges of the board. They not only offer the company extensive concessions on wages, working hours, holiday arrangements and many other social standards, but also make sure that any resistance to them is nipped in the bud.

In September, the US auto company announced it would review the efficiency of its European sites and close either the German plant in Saarlouis in the German state of Saarland, or the Spanish one in Almussafes near Valencia. The works councils at both plants are outdoing each other with cost-cutting offers and trying to prove to the board that their respective site can produce more profitably than the other.

Works council leader Markus Thal and his colleagues, reports the *Süddeutsche Zeitung* from Saarlouis, “are therefore now constantly sitting in working groups and thinking about what concessions the workforce could still make. On wage costs, on investment costs.”

The same thing is happening in Valencia. There is a contest over wage cuts and social cuts. Both works councils are going into overdrive to offer management the better conditions of exploitation.

In Valencia, where wages are almost a third lower than in Saarlouis, management is insisting on further wage cuts and an extension of working hours. So far, the works council is reluctant because it fears resistance, but stresses, “We know of no red lines and are ready to negotiate.” Works council leader José Luis Parra urges, “If we don’t reach an agreement by the end of the year, we could miss the electrification train,” referring to the industry-wide adoption of fully electric vehicles.

In Saarlouis, the works council is collaborating closely with the government to lure the multi-billion dollar corporation with subsidies and tax breaks. But it is pinning its hopes first and foremost on workers’ willingness to make sacrifices. “They had always supported the concessions in the past, and they are also prepared to make concessions now,” the *Süddeutsche* quotes works council leader Thal.

Both works councils are suspicious of what the other is doing, driving both to push their offers of cutbacks even higher. The *Valencia Plaza* newspaper reported shortly before Christmas, citing union sources at the Ford plant, “In Germany, the social partners, workers, company and government are working together.” They were even prepared to review lower taxes in order to keep the factory open. The German works council assumes Almussafes has “considerable advantages,” especially in terms of personnel costs. Therefore, it is trying to weaken the superiority of the Valencian plant through additional state support.

While the works councils in Saarlouis and Valencia attack each other and offer more and more far-reaching concessions, the company bosses are calmly waiting. They use the concessions at one to blackmail for more at the other. There is no end to this downward spiral.

Many workers are following this development with growing unease, disgust and anger. They know that all their rights and social achievements—be it the eight-hour day, the regulated wage system, paid holidays, sick pay, job security and much more—were fought for in the common fraternal struggle of all workers against the capitalists. The terms “workers’ solidarity” and “international collaboration” are deeply embedded in the collective consciousness of workers because of fierce and often bloody class battles.

But the corporate lackeys in the trade unions and works council offices only recognize the arguments of the managers and act like social demolition contractors. They play the different sites off against each other and suppress any joint struggle to defend jobs, wages and social gains in principle.

However, the two works councils know each other well. Both Markus Thal and José Luis Parra are members of Ford’s European Works Council, which was previously led by the German General Works Council Chairman Martin Hennig. Thal belongs to IG Metall in Germany, and Parra to the social democratic majority union UGT in Spain, both of which are members of the European Trade Union Confederation (ETUC) and the International Trade Union Confederation (ITUC). But they are not using these international links to unite the workers in Germany and Spain, but to play them off against each other and divide them in the interests of the corporation.

The long background article in the *Süddeutsche Zeitung* tries to take the Saarlouis works council out of the firing line and support it. It portrays works council leader Thal as a tireless fighter to keep

Ford-Saarlouis open.

Like always, the works council there describes its savings offer as a “programme for the future.” That was already the case two years ago, when the Saarlouis works council agreed to the abolition of the night shift and thus to the reduction of 1,800 jobs. At that time, too, it was said that this was the only way to save the future of the plant. Another 600 jobs were then cut this year, so that at present, less than 5,000 of the 7,000 employees who were there a short time ago remain. Saarlouis exclusively manufactures the Ford Focus, production of which is expected to end in mid-2025.

Since 2019, Ford has closed five plants in Europe—in Russia, Eastern Europe, France and the UK. 12,000 jobs have been destroyed, not counting the impact on suppliers and others indirectly affected. Everywhere, the trade unions have played the key role in preventing a united struggle to defend jobs.

The Saarland and Valencia plants have many parallels. Both were built in the early 1970s and are the largest employers in the region. Their closure would have devastating consequences. In Saarland, one in two industrial jobs depends on Ford. A total of 44,000 people work for suppliers, equipment suppliers and manufacturers in the auto industry. In Valencia, 10,000 workers were employed by Ford and 21,000 in the supplier industry in the best years.

Production in both plants has already declined rapidly in previous years. In Saarlouis, there were several months of short-time working in 2020 and 2021 due to coronavirus. A lack of semiconductors means the short-time working will last at least until the end of January 2022. And in Valencia, the night shift will be discontinued in January, which means further job losses.

Works council leader Markus Thal is a typical IG Metall functionary. Having risen from toolmaker to works council leader, he sits on the Ford supervisory board, where he pockets supervisory board bonuses, meeting fees and expenses, in addition to his lavish works council salary. Like management, he looks at the company from the perspective of competitiveness and profits, not the interests of the workers. In this, he is no different from his Spanish counterpart José Luís Parra.

Thal rejects a joint struggle of Ford workers at all sites to defend jobs. Instead, he seeks to pass on the social cutbacks to Valencia by making concessions that would also have devastating consequences for workers in Saarland. He considers the reduction of jobs during the conversion to electric vehicle production to be unavoidable.

But the attacks on jobs, wages and social gains are not the result of new technologies. If the working class had influence over economic decisions, the conversion of production could lead to improved working conditions and greater prosperity. The real problem is capitalism’s insatiable greed for profits.

The past two years of the coronavirus pandemic have clearly shown this. While workers have been forced to continue working and risk their lives and health despite the risk of infection, corporations have used the pandemic to amass even greater fortunes.

The world’s 16 biggest auto makers made more profits than ever in the third quarter of 2021, despite computer chip shortages and

coronavirus. Ford was among them. In the third quarter of 2021, the corporation made a profit of \$2.4 billion, six times as much as in the same period last year.

Ford employees in Germany and Spain are currently going through the same experience as workers all over the world. It is not possible to defend jobs without breaking with the unions, their works councils and their nationalist orientation.

Three decades ago, the chairman of the works council of Opel-Bochum, Rolf Breuer, said, “We can be blackmailed even into child labour!” Today, it is not necessary to blackmail the works councils. They are partners of the corporate boards, call themselves co-managers and carry out the attacks on the workers.

In order to resist the blackmail of management and the works councils, a new political orientation is necessary, which proceeds from the common interests of all workers in all locations and opposes the logic of the capitalist profit system. Workers must take the defence of their interests and their rights into their own hands and organise themselves completely independently of the pro-capitalist trade unions and their works councils.

Only when workers themselves intervene can the constant playing off of the different locations against each other be stopped. According to this beggar-thy-neighbor policy, production has already been halted in Belgium, France and Wales, and several plants have been closed in Russia. Only recently, Ford announced it would end production in India and Brazil.

The Ford workers in Saarlouis have shown in the past and in 2021 that they are ready to fight. Now, all those who are serious must take the initiative and build links with their colleagues in Cologne, Valencia and all other plants.

The International Committee of the Fourth International and its affiliated Socialist Equality Parties formed the International Workers’ Alliance of Rank-and-File Committees to coordinate workers’ struggles worldwide against corporate attacks. We call on Ford workers in Saarlouis, Valencia, Cologne and around the world to join together in rank-and-file committees independent of the unions to prepare joint strikes and protests at all sites. Contact us today.



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